

THE ASSOCIATED PRESS
There are 1,000 news-
papers with news of the
report of the great organiza-
tion and themselves furnish
the news to other members.
There are 52,000 local cor-
respondents and 52,000 miles
of leased wire.

THE CHATTAHOOGA NEWS

Chattanooga, 4 p.m.—Washington, 5 p.m.—London, 10 p.m.—Paris, 10 p.m.—Petrograd, 12 p.m.—Tokio, 7 a.m.

VOL. XXX. NO. 203

LATE EDITION

CHATTANOOGA, TENN., THURSDAY EVENING, FEBRUARY 28, 1918

PRICE: THREE CENTS
Delivered by Carriers
Twelve Cents a Week.

GERMAN ADVANCE ORDERED STOPPED; RUSSIANS AGAIN CALLED TO ARMS

Council of Peoples' Commissaries Issues Proclamation 'Asserting Soldiers at Front to Be Rallying Against Invaders and New Regiments on Way to Reinforce Army—Curse Uttered Upon German Socialists, Who, the Order Says, Permit "This Unequal Struggle."'

JAPAN'S PLAN MUCH DISCUSSED

Officials Silent—However, Exchange of Opinions Among Powers Being Made.

Washington, Feb. 28.—Japan's move to develop the feeling of the allies toward a proposal for joint military operations in Siberia to keep the vast stores at Vladivostok and also the Trans-Siberian railway from falling into the hands of the German invaders of Russia was widely discussed today among diplomats and officials, but all were reluctant to give opinions for publication.

Opinion in London that the declaration by the Japanese foreign minister, Count Motono, in the Japanese diet, could only be interpreted as a declaration that Japan was about to intervene was regarded as further evidence of the negotiations now proceeding between the co-belligerents to make the action of an international character, probably including the participation of American forces.

Seek Perfect Understanding.

While officials here were silent, and disposed to minimize discussion of the subject, it is known that exchanges of opinion are going on with the object of a perfect understanding between Japan, the United States and the other co-belligerents which would make the plan of joint action wholly acceptable to all and thoroughly define its extent and duration.

Russian representatives here oppose action by the Japanese in Siberia, but the co-belligerents are thoroughly alarmed lest the vast quantities of supplies piled up at Vladivostok, bought and paid for with American cash, should fall into the hands of the Germans.

COST OF LIVING IN YEAR ADVANCED 25 PER CENT.

Washington, Feb. 28.—Another 2 per cent. added to the retail prices of food from Dec. 15, 1917 to Jan. 15, 1918, made a total of 25 per cent. which the cost of living advanced in the year ending on the latter date.

The bureau of labor statistics today announced that eleven of fifteen standard articles increased in price from December to January, the greatest advance being 8 per cent. in hens. Flour decreased 2 per cent. and lard, bacon and cornmeal, each, 1 cent. In the twelve months from January, 1917 to January, 1918, potatoes alone registered a decline in price, being 16 per cent. cheaper. Cornmeal advanced 77 per cent., bacon 64, lard 53, milk 25, hens 23, butter 23, eggs 23, sugar 15 and flour 17.

HAD LONG ADVOCATED PROVINCE'S INDEPENDENCE

Amsterdam, Wf. today, Feb. 27.—Writing in the Berlin Tagliche Rundschau, Matthias Erzberger, of the clerical center, says:

"For a year past I have advocated the idea that Lithuania should not only be an autonomous but an independent state in Lithuania desires a series of agreements for the attainment of this object.

HALIFAX SUFFERERS GIVEN NO TAX RELIEF

Halifax, N. S., Feb. 28.—Owners of property destroyed by fire which swept over an area of two and a half square miles after the explosion on the Mont Blanc here Dec. 6, must pay taxes on homes which no longer exist, under a ruling by the court of tax appeals.

In dismissing petitions for remission of taxes the court held that as the assessments had been levied before the fire there was no legal way by which property owners could be relieved of liability. It was pointed out that the magnitude of the disaster did not make the case any different from one which might arise from the destruction of a single building and that the city was in no position to assume an attitude of generosity.

The taxes in question were levied for the year beginning May 1, next, and the appeals were based on the ground that such property would not be in existence during that period.

DECISION IN CASE OF COUNT MINOTTO POSTPONED

Washington, Feb. 28.—Decision in the case of Count Minotto, son-in-law of Louis Swift, the meat packer, charged with being an enemy alien, is being held up in the department of labor while there is a further review of the evidence against the count gathered by the naval intelligence office which caused his arrest.

Officials describe Minotto's case as a very unusual one. The evidence shows that while Secretary McAdoo was in Buenos Aires as head of the international high commission cultivating relations with pan-America, Minotto entertained him. Minotto contends that his connection with German banks was severed some time ago.

Berlin, Feb. 28.—(British admiralty per wireless press.)—Germany's military operations on the northern Russian front are taking their normal course, the German general staff announced today. Another Estonian regiment has placed itself under command of the German staff.

London, Feb. 28.—The German army has received orders to stop its advance into Russia, according to the Petrograd correspondent of the Exchange Telegraph company, who has received information to this effect which he regards as reliable.

When the bolshevik government agreed to accept German peace terms last week, the commander-in-chief of the Russian armies inquired of the Germans if the previous armistice would be renewed and the German invasion halted. He did not receive an immediate reply and the German advance continued. A dispatch from Petrograd Wednesday said that Gen. Hoffman, the German military representative at Brest-Litovsk, had replied to the bolshevik communication by declaring that the German advance would continue until a treaty of peace was signed and carried out along lines laid down in the German peace terms.

London, Feb. 28.—The council of people's commissaries, according to a Reuter dispatch from Petrograd, has issued another call to arms, in the course of which it is declared the German invaders are arresting the workmen and soldiers' council, shooting captured red guards, and arming German and Austrian prisoners in the Ukraine. The proclamation asserts that the troops at the front have now pulled themselves together and are resisting the invasion. It concludes:

"May the blood spilled in this unequal struggle fall on the heads of the German socialists who are allowing the German workmen to be ranked among the Gains and Judases."

Enrollment of the new army is proceeding successfully, an Exchange Telegraph dispatch says. Cossack regiments in Petrograd are being sent in the direction of Pskov, and other regiments formed of mixed detachments are marching to the front.

CONTRACTS EXEMPTING EMPLOYER INVALID

New Orleans, Feb. 28.—Contracts between employers and employees designed to exempt the employer from claims for damages for personal injuries received by an employee in the discharge of his duties are invalid in violation of the federal workmen's compensation act, the United States circuit court of appeals held in a decision announced here today. The ruling was made in the case of Oscar G. Taylor, an express messenger, against the Wells-Fargo Express company and the St. Louis & San Francisco Railroad company, appealed by the express company from the northern district of Mississippi.

UNIFICATION OF CHATTANOOGA TERMINALS

Atlanta, Ga., Feb. 28.—Plans for the unification of terminal facilities at Chattanooga, Atlanta and Birmingham are being discussed at a series of conferences being held in the offices of C. H. Markham, regional director for the federal railroad administration in this city. Conditions in Atlanta were discussed today, it was stated, while the Birmingham situation will be taken up tomorrow. The Chattanooga situation, was considered yesterday. None of the railroad officials would indicate what suggestions were under consideration.

NO NEWS RECEIVED FROM AMBASSADOR FRANCIS

Washington, Feb. 28.—No further word from Ambassador Francis was received today from the German legation in Petrograd. The ambassador and some of the other ambassadors had departed, declared the state department had no information whatever.

The latest dispatch from Ambassador Francis was dated Feb. 22 and arrived today, saying the bolshevik authorities at that time had offered to provide a train on twelve hours' notice when the diplomats decided to leave Petrograd.

Later today another dispatch from Ambassador Francis, dated Feb. 21, also arrived and said that the people of little Russia were fighting the maximalists at Odessa. The maximalists were holding their ground, the dispatch added.

NASHVILLE BANKS SHOW 40 PER CENT. INCREASE

Nashville, Feb. 28.—February bank clearings in Nashville show an increase of over 40 per cent. Clearings for February, 1918, \$26,318,941; for 1917, \$18,512,165.

PREDICTS HUN DRIVE IN BALKANS

Thinks Campaign at Saloniki More Likely Than on Western Front.

(Ryley Grannon, in Washington Post.) The enormous scope of the changes on the eastern front half incline many military experts among the allied nations to the opinion that the German command has made another quick change of plans. If that be true, the next big strokes of the war will occur in the Balkans and in Italy.

As soon as Rumania has been forced to sign a peace treaty, there will be nominal peace all along the eastern front, from Petrograd to Saloniki. The Austro-German divisions facing Rumania number about 40, or, roughly speaking, 600,000 men. Against them are 500,000 Rumanians, in desperate straits for food and surrounded by enemies. Once Rumania is brought to compulsory peace, the German-Austrian forces may be sent to other fronts.

Some of the military observers believe these forces will be sent southward to attack the allied forces in Macedonia. They base this belief on the line of reasoning:

A decision on the western front is questionable. If Germany could be sure of breaking through, she might not hesitate to risk 1,000,000 men in the attempt. But failure would be ruinous. If, however, Germany should pacify the eastern front and then turn her attention to the cleaning up of the Balkans and Italy, she would have achieved two desirable ends. Even if the succeeding struggle on the western front should result in a draw.

There is something doing in the Balkans. Sir Eric Geddes, the head of the British admiralty, is now in Saloniki. The purpose of his visit is, of course, not divulged, but the natural presumption is that he is looking over the transport situation in view of great impending events.

Informed on German Plans.

Does he foresee a German drive, or are the allies preparing to forestall the enemy by making a drive from Saloniki? Probably the chief commands, both of the allies and the enemy, could answer this question. It has been made plain by Mr. Lloyd George that the allies are well informed regarding Germany's general plans, and are prepared to checkmate them.

One feature of the Russian collapse is the gain by the Germans of immense war booty. There are about 25,000 big and little guns, all made by the allies, which Germany is gathering in, together with ammunition, therefore, about 8,000,000 rifles, of the Mannlicher, Mauser and Lebel pattern; 10,000 motor cars, mostly made by the United States; besides great stores of petrol from Baku and Galicia.

These stores may enable Germany to release some of her workers from munitions factories for a time.

Enormous Stores Captured.

The ammunition and small-arms booty now available to Germany is scattered in many Russian junction towns such as Vilna, Kovno, Dubno, Grovno, Rovno, Dvinsk, Minsk, Zhito-mir, Pskov and Revel. In addition to primary war material, there are also great stores of cloth, leather, wool, etc., as well as some quantities of copper and rubber.

The possibility of an enemy drive in the Balkans is increased by this addition to the supplies of the enemy armies. The steady preparation of the Greek army is not overlooked at Berlin. Neither is the steady northward march of the British army in Palestine. An onslaught upon Gen. Guillaumat's army at Saloniki by Field Marshal Von Mackensen's German-Austrian-Bulgarian army would bring the entire near eastern situation to a head.

Allies' Lines Threatened.

As the allied army is supplied largely by an overland route through Italy and Albania, there is always a prospect that a German drive in the Balkans would be accompanied by a drive in Italy to cut off the allied land line of communications.

The Mediterranean line of communication is subject to savage attacks by submarines. Sometimes the insurance premiums on ships and cargoes in the Mediterranean reach 40 per cent. on a single voyage. The difficulty of maintaining a full-fledged military-naval transport for an army of 500,000 to 700,000 men is so great and complex that it is not surprising to see Sir Eric Geddes personally attacking the problem.

EXAMINE MAILS IN CUBA FOR PROOF ESPIONAGE

Havana, Feb. 28.—Postoffice department officials and secret service agents are examining the mail from Mexico on the Spanish liner Reina Maria Christina. The Spanish minister to Cuba, who is in charge of German interests here, is watching the inspection.

An unconfirmed rumor was current last night that certain documents from the interior of Mexico addressed to a German consular officer in Spain had been found. The documents were said to contain information relating to the military plans of the United States and Cuba against the central powers.

ITALIAN AND FRENCH SHIPS ELUDE U-BOATS

Rome, Feb. 28.—Italian shipping was immune from German submarines and U-boats in the week ending Feb. 23. One steamer attacked and beat off a submarine which menaced it. During the week 119 ships entered Italian ports and 233 cleared, exclusive of fishing and other small vessels. Not one ton was lost.

Paris, Feb. 28.—No French vessel of more than 1,600 tons was sunk by enemy mines or submarines during the week ending Feb. 23. One vessel under that tonnage was lost, but no fishermen were sunk. Four merchantmen fought off submarine attacks. Entries into French ports aggregated 916 and departures 901.

FOUR SENTRIES CAUGHT ASLEEP

Pershing Refers Cases to War Department—Had Been Sentenced to Death.

Washington, Feb. 28.—Four American soldiers, caught asleep while doing sentry duty in the first line trenches, have been sentenced to death, but Gen. Pershing, although he has authority to carry out the sentences, has referred their cases to the war department for review.

These are the first cases of the kind since the American troops went to France. One soldier has been executed there for an unexcusable offense on a French child and in his case Gen. Pershing acted swiftly without as much as referring it to Washington.

In these cases, however, some extenuating circumstances may be found for men tired and nerve-worn by front line trench duty in a hitherto unknown manner of warfare, to save them from the death penalty at the hands of their own fellows.

President Wilson, probably, in the end will review their cases. Going to sleep on sentry duty has long been recognized as an unforgivable offense, punishable by death, and such cases, rare as they have been in the American army, have furnished some of the most absorbing incidents of its history.

ITALIAN GUNS REPULSE ENEMY

Rome (Wednesday), Feb. 27.—The Italian war office statement today reads:

"Between the Adige and the Brenta there was activity by hostile reconnoitering patrols. They were repulsed everywhere by our outposts. There was a lively struggle between the opposing artillery west of Val Frenzella and along the coastal region. Our batteries fired on massed enemy troops west of Monte Grappa and on moving carriages along the lower Piave."

"In the neighborhood of Clamon an enemy ammunition store was hit successfully by our aviators. Tuesday night our flying squadrons bombarded efficaciously railroad structures at Bulicano and Pergine. Numerous hostile machines made incursions over the plains. They dropped bombs on inhabited localities between Treviso and Venice and with particular fury over Venice."

FISH DEALERS DIFFER OVER HOOVER'S PLAN

Jacksonville, Fla., Feb. 28.—A wide difference of opinion exists among the plan of Food Administrator Hoover to abrogate the Florida fish conservation laws prevalent at the conference of Florida fish dealers and producers held here today at the request of Kenneth J. Fowler, representing the fish division of the food administration. The meeting was presided over by Mr. Fowler, who came to Jacksonville to ascertain the sentiment toward setting aside state laws prohibiting the catching of fish with seines capable of hauling in fish smaller than twelve inches in length.

SPANISH CABINET RESIGNS IN BODY

Madrid, Feb. 28.—The cabinet resigned today.

FAIR, SAYS BILLY 'POSSUM

There's never been a time since Hector was a pup, the woods weren't full of candidates, with more still springing up, so take a tip from me, beery, watch your step, when friends are over-freely, there's a reason for their pep.

The weather? Fair and moderate temperature tonight, Friday, fair and colder.

CENTRAL POWERS' TERMS OUTLINED TO RUMANIA

At King Ferdinand's Request, Short Period Is Granted for Considering Reply—Press Bureau Formally Denies Pierie Carp Recommendation Ferdinand Should Relinquish Throne.

Amsterdam, Feb. 28.—The terms on which the central powers are ready to conclude peace with Rumania have been communicated to King Ferdinand by Count Cernin, Austro-Hungarian foreign minister, according to Bucharest advices received by way of Berlin. The king asked for a short period in which to consider the terms, which was granted to him.

The terms of the central powers, as outlined in recent unofficial press dispatches, include cession of territory in Dobruja to Bulgaria and economic preferences in Rumania for Germany and Austria.

WOULD BE CRIME TO PARLEY NOW WITH GERMANY, SAYS BALFOUR

No basis for peace is found in the speech of Count Von Hertling by A. J. Balfour, the British secretary of foreign affairs. In making the first official reply to the German chancellor in the house of commons he rejected the German suggestions concerning Belgium and said that the chancellor's professed acceptance of President Wilson's four principles was only "lip service."

There was nothing to indicate that diplomatic conversations with the central powers in their present frame of mind would bring a lasting peace. To undertake negotiations unless they would lead to the righting of the wrongs committed by Germany would be "the greatest crime against the future peace of the world," Secretary Balfour declared that Germany changed her policies to suit her needs and that Von Hertling offered no new proposals.

In their advance into Russia the Germans are meeting with more resistance and apparently they have been unable to make much headway toward Petrograd from Pskov. Petrograd is declared to be the Teuton objective in the north. Tuesday the Germans made no progress there, or at least Berlin reports none, while in the south the greatest gains were made in the Ukraine. A German attempt to take Vitbsk, near the center of the front, failed before Russian resistance, which forced the enemy to retire, Petrograd says.

The American sector in France on Wednesday was again subjected to an attack by gas shells, which had little effect. Tuesday's gas attacks caused five deaths and the poisoning of about sixty American soldiers. The majority of those affected by gas are not in a serious condition. German airplanes are still active over the American front, twenty-seven having crossed the line Wednesday.

Aerial and artillery fighting on the British and French fronts is most severe. Eighteen German airplanes were brought down by the French and British airmen and guns, while Berlin claims to have accounted for fifteen enemy machines. German airplanes, railway junctions and other military targets continue to be bombed by allied airmen.

British shipping losses for the week show an increase over the previous period. Eighteen merchantmen, fourteen of more than 1,600 tons, were sunk by submarines or mines, as compared with fifteen, including twelve of the large tonnage the week before. France and Italy lost no ships of the large tonnage and France only one vessel of less than 1,600 tons. Another Spanish ship, the Sarnero, the sixth in five weeks, is reported to have been torpedoed by a German submarine.

TOLD WIVES TUG NOT SEAWORTHY

Rear-Admiral Tappan Begins Inquiry Into Sinking of Naval Craft Cherokee.

Philadelphia, Feb. 28.—Rear Admiral Tappan, commandant of the Philadelphia navy yard, on orders from Washington, had begun an investigation into the sinking of the naval tug Cherokee. Twenty-nine members of the crew, including Junior Lieutenant Edward D. Newell, the commander of the vessel, were lost when it foundered off the Maryland coast.

Lieut. Newell's wife and Mrs. Elvira Martin, wife of a second-class petty officer, who was rescued, declared here today their husbands had repeatedly informed them the Cherokee was uns seaworthy.

"Many a time my husband told me the Cherokee wasn't safe," said Mrs. Newell. "He protested over and over again of the danger to the crew to the navy yard here and in New York. He said the boat wasn't fit to go up and down the Delaware river."

Mrs. Martin gave out a letter from her husband, written yesterday, in which he reminded her of a prediction that the Cherokee would go to the bottom. "Remember, I told you she would sink," Martin wrote.

ADMINISTRATION BILL DEBATED IN SENATE

Washington, Feb. 28.—Senate debate on the administration bill to create a war finance corporation, authorized to advance \$4,500,000,000 to war industries, was continued today with leaders expecting its passage before adjournment or tomorrow.

HEAD NEW YORK COFFEE EXCHANGE IS APPOINTED

Washington, Feb. 28.—George W. Lawrence, president of the New York coffee and sugar exchange, was put in charge by the food administration today of the distribution of all coffee in the United States. He will see that imports are apportioned properly among the trade.

GERMAN STEAM- SHIP LINES TO BE SOLD AT AUCTION

United States Preparing for Action That Should Make Kaiser Think Twice.

AWAIT CONGRESS' WORD

Affects Hamburg and North German Lloyd.

Enormously Valuable Dock Facilities in New York to Go to Highest Bidder.

(By David Lawrence.)
(Copyright, 1918, by the New York Evening Post Company.)

Washington, Feb. 28.—America is about to take a step that ought to make Germany think twice about whether or not the United States is in earnest in her determination to use her trade power as a means for forcing a democratic peace. For the government of the United States, through the alien property custodian, A. Mitchell Palmer, is arranging to take legal possession of the Hamburg-American and North German Lloyd steamship lines, and if congress says the word, the enormously valuable dock facilities in the port of New York will be sold to the highest bidder, preferably American interests.

This step, which has been long in contemplation, has the personal approval of President Wilson. It does not mean that the sale of the dock facilities, which incidentally could be replaced by Germany only after the war, would be a payment of high prices for other waterfront property, it is to be consummated immediately. It does mean, however, that the government of the United States is about to take over the administration of the two big steamship lines and control of their stock, and that an after-the-war question of prime importance has been raised. The value of the German line docks has been estimated to run way up in the millions. Certainly if Germany should lose them it would be a body blow to her trade which she expects to recover promptly after peace is declared. But if her boats have no docking space, Germany cannot resume her relations with the key peace is declared, as she has been planning to do.

Her statesmen have quieted the fears of Germany's business men by saying that Germany was bluffing and that American selfishness would prevent any discrimination against Germany after the war.

Prevent Discrimination.

Of course, the treaty of peace, if it is the right kind of peace, as Mr. Wilson himself hinted in a recent message to congress, would prevent any discrimination against Germany. The president himself expressed the idea thus:

"The worst that can happen to the detriment of the German people is this, that if they should still, after the war is over, continue to be obliged to live under ambitious and intriguing masters unfriendly to the peace of the world, nations or peoples of the world could not trust, it might be impossible to admit them to the partnership of nations which must henceforth guarantee the world's peace. It might be impossible, also, in such untoward circumstances to admit Germany to the free economic intercourse which must inevitably spring from the other partnership of a real peace."

Would Be Worst Blow.

Certainly the worst blow that could be struck at German trade after the war is to take away the valuable dock and terminal facilities built up by her lines in the past twenty years. This is the deliberate plan the United States intends to pursue if Germany does not make her decks square with her words when once peace negotiations are begun.

The plan had its origin in a curious way. Two big ships of the Hamburg-American line, now lying in Mexican ports, were bought by the U. S. shipping board. It was decided that they could not be seized or commandeered. So negotiations were entered into with agents of the Hamburg-American line for the purchase of the vessels. The result is that a very high price for the ships, but declared that the money was needed to put the docks and terminals in shape for the resumption of business the very day peace was declared.

Wilson Took Interest.

Also a fund was to be established by the Hamburg-American line to pay pensions to its employees. In other words, if the United States government agreed to the deal it would be in effect helping Germany to keep her shipping organization intact during the war and prepare otherwise, too, for after-the-war trade. Holding up the American government for a high price had the opposite effect. However, President Wilson himself took a personal interest in the matter and, one day last week dropped in at the alien property custodian's office to find out about those docks and terminal facilities. The result is that the stock of the German steamship lines and the Atlas company, which owns the Hamburg-American line building at 45 Broadway, will pass into the hands of the alien property custodian, who will appoint a board of directors to administer the property.

Just now the docks are being used by the war department, having been commandeered under federal authority of congress when war was declared and the officers of the Hamburg-American lines are being occupied under the same statute by the navy. But when the war is over the authority ceases and under the terms of the trading with the enemy act, property owned by Germans either can be returned to their owners or used as prize, there will be an outbreak of the disease.

(Continued on Page Twelve.)